

STATE OF IOWA
PROPERTY ASSESSMENT APPEAL BOARD

Chad M. & Jill K. Huntington,
Petitioners-Appellants,

v.

Linn County Board of Review,
Respondent-Appellee.

ORDER

Docket No. 09-57-0220

Parcel No. 10192-51007-00000

On December 18, 2009, the above-captioned appeal came on for consideration before the Iowa Property Assessment Appeal Board. The appeal was conducted under Iowa Code section 441.37A(2)(a-b) and Iowa Administrative Code rules 701-71.21(1) et al. The appellants, Chad M. and Jill K. Huntington, requested the appeal be considered without hearing and submitted evidence in support of their petition. They are self-represented. The Board of Review designated Linn County Assistant Attorney, Gary Jarvis, as its legal representative. It also certified its record. The Appeal Board now having examined the entire record, and being advised, finds.

Findings of Fact

Chad M. and Jill K. Huntington, owners of property located at 1320 Huntington Hills Drive, Marion, Iowa, appeal from the Linn County Board of Review decision reassessing their property. According to the property record card, the subject property consists of a one-story, frame dwelling having 2176 square feet of living area with full basement and a 970 square-foot attached garage. The dwelling was built in 2005 and sits on a 0.74 acre site.

The real estate was classified as residential for the January 1, 2009, assessment and valued at \$408,274; representing \$61,314 in land value and \$346,960 in improvement value. The Huntingtons protested to the Board of Review on the grounds that the assessment is not equitable with other assessments under Iowa Code section 441.37(1)(a), and that there had been a downward change in

value since the last assessment under sections 441.37(1) and 441.35(3). In response to the protest, the Board of Review notified the Huntingtons that the January 1, 2009, assessment would be reduced. The Board of Review reassessed the property at \$377,790; representing \$61,314 in land value and \$316,476 in improvement value. The Huntingtons then filed an appeal with this Board on the same grounds. The Huntingtons seek \$43,599 in relief. They value their property at \$334,191.

We note, that although the Huntingtons protested on downward change in value in an assessment year, this ground is akin to a challenge on market value.

The Huntingtons presented evidence of five properties that, in their opinion, are comparable to the subject property. They also presented supporting documents prepared by realtor Teresa Bennett of Skogman Realty that indicates a recommended listing price of \$350,400. This Board notes that the range in value in the Bennett documents is from \$309,900 to \$370,000. Additionally, the document is not an actual appraisal, but a market price report.

The Huntingtons also presented evidence of three properties located in the Huntington Hills development and within two walking blocks of the subject property. The Huntingtons used all twenty-five properties that had sold in Huntington Hills and determined a value based on the data of \$307,374. Along with the two above analyses, they used a March 2009 sale of 1470 Huntington Hills Drive that sold for \$370,000.

The Huntingtons believe that the Cedar Rapids metro area real estate market for middle-to-higher priced property has suffered a loss in value based on the current economic conditions. They believe this evidence supports an assessed value of \$334,191.

Julie Kester, Linn County Assessor, submitted evidence on behalf of the Board of Review. The Board of Review asserts that the Huntingtons failed to provide evidence that the subject property was not equitable with other property in the district. The Board of Review points out that the documents prepared by Teresa Bennett used a two-story property, a relocation sale, and a third property in Cedar

Rapids, which is located in another assessment jurisdiction. It believes these properties are not comparable because they are abnormal or not adjusted for assessment purposes. The Board of Review notes that the three properties used by the Huntingtons to arrive at a value of \$344,191 are all two-stories as compared to the subject property, which is a one-story improvement.

It also submitted evidenced of six properties they consider to be comparable with a range of value from \$150.82 per square foot to \$210.93 per square-foot. The median range for the comparables was \$181.25 per square foot. The original assessed value before Board of Review action was \$187.63, and after the Board of Review reduced the value, the square foot price was \$173.61, which is below the median dollar-per-square foot.

The Board of Review also submitted sales ratio information that calculates a sales median ratio of 99.74%. This Board finds that the sales ratio study has no bearing on this equity claim because the sales ratio is based on the entire class of property, not the specific subject property.

The Huntingtons protested to the Board of Review and this Board on equity, however, they did not provide sufficient evidence to prove their claim. The Huntingtons contended there had been a downward trend in value. As we have noted, this claim in an assessment year is akin to a claim that the assessment is for more than authorized by law. Although the Huntingtons submitted property data they considered comparable, they did not reconcile the data to the subject property. Also, this Board gave little weight to the data submitted regarding the market price value from realtor Teresa Bennett because as explained above, several properties used are not comparable to the subject property.

Reviewing all the evidence, we find the comparables submitted by the Huntingtons did not prove their January 1, 2009, assessment is greater than authorized by law. Further, the evidence by the Board of Review supports the assessment, since the subject property falls within the range of assessments submitted that we find comparable.

Conclusions of Law

The Appeal Board based its decision on the following law.

The Appeal Board has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2009). This Board is an agency and the provisions of the Administrative Procedure Act apply to it. Iowa Code § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). The Appeal Board determined anew all questions arising before the Board of Review related to the liability of the property to assessment or the assessed amount. § 441.37A(3)(a). The Appeal Board considers only those grounds presented to or considered by the Board of Review. § 441.37A(1)(b). But new or additional evidence may be introduced. *Id.* The Appeal Board considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-vee, Inc. v. Employment Appeal Bd.* 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption that the assessed value is correct. Iowa Code section 441.37A(3)(a).

In Iowa, property is to be valued at its actual value. Iowa Code § 441.21(1)(a). Actual value is the property's fair and reasonable market value. *Id.* "Market value" essentially is defined as the value established in an arm's-length sale of the property. § 441.21(1)(b). Sales prices of the property or comparable properties in normal transactions are also to be considered in arriving at market value. *Id.* If sales are not available, "other factors" may be considered in arriving at market value. § 441.21(2). The assessed value of the property "shall be one hundred percent of its actual value." § 441.21(1)(a).

The Huntingtons first challenged their assessment based on inequity. To prove inequity, a taxpayer may show that an assessor did not apply an assessing method uniformly to similarly situated or comparable properties. *Eagle Food Centers v. Bd. of Review of the City of Davenport*, 497 N.W.2d 860, 865 (Iowa 1993). Alternatively, a taxpayer may show the property is assessed higher proportionately than other like property using criteria set forth in *Maxwell v. Shriver*, 257 Iowa 575, 133 N.W.2d 709 (1965). The six criteria include evidence showing

“(1) that there are several other properties within a reasonable area similar and comparable... (2) the amount of the assessments on those properties, (3) the actual value of the comparable properties, (4) the actual value of the [subject] property, (5) the assessment complained of, and (6) that by comparison {the] property is assessed at a higher proportion of its actual value than the ratio existing between the assessed and the actual valuations of the similar and comparable properties, thus creating a discrimination.”

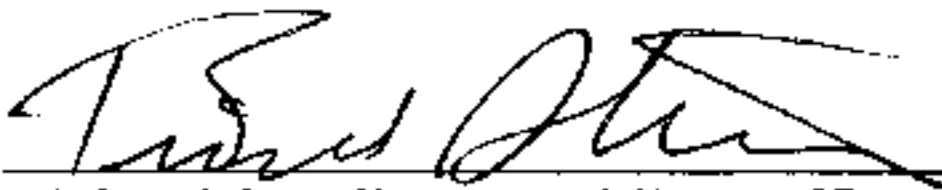
Id. at 579-580. The gist of this test is ratio difference between assessment and market value, even though Iowa law now requires assessments to be 100% of market value. § 441.21(1).

The Huntingtons also challenged the assessment on the basis that there had been downward change in value of the property. In a re-assessment year, a challenge based on downward change in value is akin to a market value claim. *See Dedham Co-op. Ass'n. v. Carroll County Bd. of Review*, 2006 WL 1750300 (Iowa Ct. App. 2006). In an appeal that alleges the property is assessed for more than the value authorized by law under Iowa Code section 441.27(1)(b), there must be evidence that the assessment is excessive and the correct value of the property. *Boekoloo v. Bd. of Review of the City of Clinton*, 529 NW2d 275, 277 (Iowa 1995). The evidence submitted does not support the Huntingtons claim because it lacked comparable properties for sales information and assessment purposes.

We, therefore, affirm the Chad M. and Jill K. Huntington property assessment as determined by the Board of Review. The assessment of the subject property as of January 1, 2009, is \$377,790; representing \$61,314 in land value and \$316,476 in dwelling value.

THE APPEAL BOARD ORDERS that the January 1, 2009, assessment as determined by the Linn County Board of Review is affirmed.

Dated this 29 day of January, 2010.


Richard Stradley, Presiding Officer


Jacqueline Rypma, Board Member


Karen Oberman, Board Chair

Copies to:

Chad M. and Jill K. Huntington
1320 Huntington Hills Drive
Marion, IA 52302
APPELLANTS

Gary Jarvis
Assistant Linn County Attorney
51 3rd Avenue Bridge
Cedar Rapids, IA 52404
ATTORNEY FOR APPELLEE

Certificate of Service	
The undersigned certifies that the foregoing instrument was served upon all parties to the above cause & to each of the attorney(s) of record herein at their respective addresses disclosed on the pleadings on <u>2-1</u> , 2010.	
By:	<input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> FAX
	<input type="checkbox"/> Hand Delivered <input type="checkbox"/> Overnight Courier
	<input type="checkbox"/> Certified Mail <input type="checkbox"/> Other
Signature	